

Excite Technology Services Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Excite Technology Services Limited
ABN:	61 120 658 497
Reporting Period:	For the year ended 31 March 2026
Previous Period:	For the year ended 31 March 2025

2. Results for announcement to the market

Revenues from ordinary activities	up	74%	to	21,326,887
Loss from ordinary activities after tax attributable to the Owners of Excite Technology Services Limited	down	16%	to	(5,385,619)
Loss for the year attributable to the owners of Excite Technology Services Limited	down	16%	to	(5,385,619)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the Group after providing for income tax amounted to \$5,385,619 (31 March 2025: \$6,429,411).

3. Net tangible assets

	Reporting Period Cents	Previous Period Cents
Net tangible assets per ordinary security	(0.5)	(0.4)

4. Control gained over entities

No control was gained over entities during the reporting period.

5. Loss of control over entities

Not applicable

6. Dividends

Current Period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

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7. Dividend reinvestment plans

Not applicable

8. Details of associates and joint venture entities

Not applicable

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The Financial Report is in the process of being audited with an expectation of an unmodified audit report containing a material uncertainty relating to going concern.

11. Attachments

Details of attachments (if any):

The Preliminary financial statements of Excite Technology Services Limited for the year ended 31 March 2026 is attached.

12. Signed

Signed 

Steven Bliim

Date: 29 May 2026

Excite Technology Services Limited

ABN 61 120 658 497

Preliminary financial statements - 31 March 2026

Excite Technology Services Limited

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31 March 2026

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General information

The financial statements cover Excite Technology Services Limited as a Group consisting of Excite Technology Services Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Excite Technology Services Limited's functional and presentation currency.

Excite Technology Services Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered Office

Suite 2.01, 157 Walker Street
North Sydney, NSW 2060
Telephone: (02) 9136 6066

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 May 2026. The directors have the power to amend and reissue the financial statements.

Excite Technology Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2026

	Note	Consolidated 2026 \$	2025 \$
Revenue	5	21,326,887	12,267,050
Expenses			
Software and hardware for resale		(13,199,620)	(5,622,229)
Employee benefits expense	6	(5,506,945)	(9,199,628)
Depreciation and amortisation expense	6	(1,015,949)	(432,361)
Legal and professional fees expense		(659,361)	(441,892)
Marketing and promotion expense		(154,064)	(19,623)
Travel and accommodation expense		(1,904)	(214,658)
Office and administration expense		(5,320,281)	(2,392,954)
Interest expense	6	(858,678)	(378,199)
Operating loss		(5,389,915)	(6,434,494)
Interest Income		4,296	5,083
Loss before income tax expense from continuing operations		(5,385,619)	(6,429,411)
Loss after income tax expense for the year attributable to the owners of Excite Technology Services Limited		<u>(5,385,619)</u>	<u>(6,429,411)</u>
Income tax expense		-	-
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(524,234)	(171,487)
Other comprehensive loss for the year, net of tax		(524,234)	(171,487)
Total comprehensive loss for the year attributable to the owners of Excite Technology Services Limited		<u>(5,909,853)</u>	<u>(6,600,898)</u>
Total comprehensive loss for the year is attributable to:			
Continuing operations		(5,909,853)	(6,600,898)
Discontinued operations		-	-
		<u>(5,909,853)</u>	<u>(6,600,898)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Excite Technology Services Limited
Statement of financial position
As at 31 March 2026

	Note	Consolidated 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents		999,262	1,136,066
Trade and other receivables	7	1,516,103	1,701,252
Inventories		33,986	33,986
Prepayments		49,852	371,925
Total current assets		<u>2,599,203</u>	<u>3,243,229</u>
Non-current assets			
Trade and other receivables	7	125,853	-
Property, plant and equipment	8	210,517	74,920
Right-of-use assets	9	5,281,801	697,819
Intangibles	10	5,663,470	6,739,722
Other assets		5,200	5,200
Total non-current assets		<u>11,286,841</u>	<u>7,517,661</u>
Total assets		<u>13,886,044</u>	<u>10,760,890</u>
Liabilities			
Current liabilities			
Trade and other payables	11	4,789,550	5,379,099
Financial Instruments	12	5,817,155	2,230,637
Contract liabilities	13	754,643	603,794
Lease liabilities	14	579,009	495,475
Employee benefits		974,700	1,478,279
Deferred consideration		578,593	1,081,190
Total current liabilities		<u>13,493,650</u>	<u>11,268,474</u>
Non-current liabilities			
Borrowings		-	70,621
Lease liabilities	15	4,384,536	244,546
Employee benefits		109,703	117,685
Total non-current liabilities		<u>4,494,239</u>	<u>432,852</u>
Total liabilities		<u>17,987,889</u>	<u>11,701,326</u>
Net (Liabilities)		<u>(4,101,845)</u>	<u>(940,436)</u>
Equity			
Issued capital	16	117,156,329	114,236,512
Reserves		3,060,014	3,755,621
Accumulated losses		(124,318,188)	(118,932,569)
Total equity		<u>(4,101,845)</u>	<u>(940,436)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Excite Technology Services Limited
Statement of changes in equity
For the year ended 31 March 2026

Consolidated	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 April 2024	108,779,914	4,691,886	(112,503,158)	968,642
Loss after income tax expense for the year	-	-	(6,429,411)	(6,429,411)
Other comprehensive (loss) for the year, net of tax		(171,487)	-	(171,487)
Total comprehensive (loss) for the year	-	(171,487)	(6,429,411)	(6,600,898)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 16)	2,150,000	-	-	2,150,000
Share based payments – performance rights	-	413,829	-	413,829
Share based payments – performance rights conversion	1,222,563	(1,222,563)	-	-
Share based payments – deferred consideration	523,810	-	-	523,810
Convertible notes – equity component	-	43,130	-	43,130
Share based payments – expense	60,225	20,000	-	80,225
Share based payments – acquisition CBIT	1,500,000	-	-	1,500,000
FX movement	-	(19,174)	-	(19,174)
Balance at 31 March 2025	<u>114,236,512</u>	<u>3,755,621</u>	<u>(118,932,569)</u>	<u>(940,436)</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 April 2025	114,236,512	3,755,621	(118,932,569)	(940,436)
Loss after income tax expense for the year	-	-	(5,385,619)	(5,385,619)
Other comprehensive (loss) for the year, net of tax	-	(524,234)	-	(524,234)
Total comprehensive loss for the year	-	(524,234)	(5,385,619)	(5,909,853)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction cost (note 16)	2,802,030	-	-	2,802,030
Share-based payments – share option conversion	23,003	(23,003)	-	-
Convertible note – equity	-	23,623	-	23,623
Share based payments – expense	94,784	-	-	94,784
Lapse of employee share option	-	(171,993)	-	(171,993)
Balance at 31 March 2026	<u>117,156,329</u>	<u>3,060,014</u>	<u>(124,318,188)</u>	<u>(4,101,845)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Excite Technology Services Limited
Statement of cash flows
For the year ended 31 March 2026

	Consolidated	
	2026	2025
	\$	\$
Cash flows from operating activities		
Loss before income tax expense for the year	(5,385,619)	(6,429,411)
Adjustments for:		
Depreciation and amortisation	1,015,949	432,361
Impairment of goodwill	-	374,029
Share-based payments	94,784	494,054
Interest and other finance costs	650,278	6,837
	(3,624,608)	(5,122,130)
Change in operating assets and liabilities:		
(Decrease)/Increase in trade and other receivables	296,761	(359,239)
(Decrease)/Increase in other operating assets	258,870	(346,830)
(Decrease)/Increase in trade and other payables	(594,309)	1,178,217
(Decrease)/Increase in contract liabilities	(351,748)	491,841
(Decrease)/Increase in employee benefits	(511,560)	504,501
Net cash (used in) operating activities	(4,526,594)	(3,653,640)
Cash flows from investing activities		
Payment for purchase of business, net of cash acquired	-	(750,000)
Payments for property, plant and equipment	(259,252)	(46,714)
Net cash (used in) investing activities	(259,252)	(796,714)
Cash flows from financing activities		
Proceeds from issue of shares	2,802,300	2,150,000
Proceeds from issue of convertible notes	3,150,000	2,000,000
Repayment of borrowings	-	(23,109)
Repayment of lease liabilities	(1,303,258)	(392,766)
Net cash provided by /(used in) financing activities	4,649,042	3,734,125
Net decrease in cash and cash equivalents	(136,804)	(716,229)
Cash and cash equivalents at the beginning of the financial year	1,136,066	204,857
Cash and cash equivalents acquired from CBIT	-	1,647,438
Cash and cash equivalents at the end of the financial year	999,262	1,136,066

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General Information

The financial statements cover Excite Technology Services Limited (the 'Company' or 'parent entity') as a consolidated entity consisting of Excite Technology Services Limited and the entities it controlled ('the Group') at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Excite Technology Services Limited's functional and presentation currency.

Excite Technology Services Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2.01, 157 Walker Street
North Sydney, NSW 2060

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 May 2026.

Note 2. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial statements of the Group have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

The Group is in the revenue growth stage of its cyber security services in order to achieve scale. During the year ended 31 March 2026, the Group incurred a loss after tax from continuing operations of \$5,385,619 (2025: \$6,429,411) and incurred net cash outflows from operating activities of \$4,526,594 (2025: \$3,653,640). At 31 March 2026, the Group had cash and cash equivalents of \$999,262. The Group has prepared cash flow forecasts as at 31 March 2026 to determine the appropriateness of the going concern assumption. The key assumptions underlying these forecasts are as follows:

- Winning new project and managed services business at a rate similar to historical performance and building on recently announced channel partnerships;
- The continuation of renewals in service contracts from existing customers;
- Management continuing to reduce costs in line with available resources; and
- The Group's ability to raise further debt or equity funding from new and existing investors

The inability to complete the above key assumptions would have a material impact on the anticipated trading results and cash flows, which gives rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. In this event the Group may not be able to realise its assets and settle its liabilities in the normal course of operations and at the amounts stated in the financial statements.

The Group expects to remain well-resourced to meet the challenges of growing scale in its cyber security services and products. Accordingly the directors remain confident the Group will be able to realise its assets and settle liabilities in the normal course of operations. Consequently, the directors believe the going concern assumption is appropriate for the Group.

However, forecast events may not occur as expected as many external and internal factors impact on future events. The financial statements do not contain any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the Group not be able to continue as a going concern.

Note 2. Material accounting policy information (continued)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 2. Material accounting policy information (continued)

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Note 2. Material accounting policy information (continued)

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Excite Technology Services Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations

As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into five operating segments based on acquisition entity: Excite Cyber Pty Ltd, Virtual Information Technology Pty Ltd (VIT), Excite IT Pty Ltd, CBIT Pty Ltd and the Corporate entities. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Note 4. Operating segments (continued)

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Excite Cyber	the provision of cybersecurity services predominantly in NSW
VIT	the provision of cybersecurity services predominantly in Tasmania
Excite IT	IT managed services across Australia
CBIT	The provision of digital forensic and training
Corporate	management of the Group, acquisitions and divestiture, and previously the security software development and sales.

Intersegment transactions

There were no intersegment transactions during the period.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Excite Technology Services Limited
Notes to the financial statements
31 March 2026

Note 4. Operating segments (continued)

Major customers

During the year ended 31 March 2026, the Group had 5 major customers that contributed \$7,699,205 to the total Group's external revenue (\$7,699,205 - 36%) (2025: one major customer contributed \$1,490,501 to the total Group's external revenue (\$1,490,501 – 12%))

Operating segment information

	Excite Cyber	VIT	Excite IT	Corporate	CBIT	Total
Consolidated – 31 March 2026	\$	\$	\$	\$	\$	\$
Revenue						
Sales to external customers	1,781,975	1,155,513	2,560,059	-	15,829,340	21,326,887
Total Revenue	1,781,975	1,155,513	2,560,059	-	15,829,340	21,326,887
EBITDA	(2,956,061)	(85,088)	1,418,663	(1,699,469)	(193,333)	(3,515,288)
Depreciation and amortisation	(33,901)	(5,298)	(14,295)	(122,676)	(839,779)	(1,015,949)
Share based payment	-	-	-	-	-	-
Interest Revenue	677	695	-	2,924	-	4,296
Finance costs	(48,518)	(37,488)	(26,097)	(491,466)	(255,110)	(858,679)
Profit/(Loss) Before income tax expense	(3,037,803)	(127,179)	1,378,271	(2,310,686)	(1,288,222)	(5,385,619)
Income tax expense	-	-	-	-	-	-
Loss after income tax expense						(5,385,619)
Assets						
Segment assets	(7,214,766)	(1,150,142)	4,892,430	15,854,019	5,466,184	17,847,725
Intersegment elimination						(3,961,681)
Total assets						13,886,044
Liabilities						
Segment liabilities	(1,044,670)	(662,867)	(786,540)	(10,255,692)	(8,319,767)	(21,069,536)
Intersegment eliminations						3,081,647
Total liabilities						(17,987,889)

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Consolidated – 31 March 2025	Excite Cyber \$	VIT \$	Excite IT \$	Corporate \$	CBIT \$	Total \$
Revenue						
Sales to external customers	1,664,085	1,128,914	2,676,106	-	6,753,199	12,222,304
Other Income -	1,638	16	-	-	43,092	44,746
Total Revenue	1,665,723	1,128,930	2,676,106	-	6,796,291	12,267,050
EBITDA	(2,307,232)	(739,919)	1,128,047	(2,152,836)	(1,057,940)	(5,129,880)
Depreciation and amortisation	(66,444)	(51,901)	(2,836)	(125,024)	(186,156)	(432,361)
Share based payment	-	-	-	(494,054)	-	(494,054)
Interest Revenue	695	619	-	2,394	1,375	5,083
Finance costs	(41,900)	(23,988)	(64,603)	(228,062)	(19,646)	(378,199)
Profit/(Loss) Before income tax expense	(2,414,881)	(815,189)	1,060,608	(2,997,582)	(1,262,367)	(6,429,411)
Income tax expense	-	-	-	-	-	-
Loss after income tax expense						(6,429,411)
Assets						
Segment assets	(4,013,383)	(698,895)	3,801,131	12,234,776	2,438,007	13,761,636
Intersegment elimination						(3,000,746)
Total assets						10,760,890
Liabilities						
Segment liabilities	(1,138,059)	(986,936)	(1,072,993)	(7,969,886)	(4,482,548)	(15,650,422)
Intersegment eliminations						3,949,096
Total liabilities						(11,701,326)

Note 5. Revenue

	Consolidated 2026 \$	2025 \$
From continuing operations		
<i>Revenue from contracts with customers</i>		
Revenue - technology related products and services	21,326,887	12,222,304
<i>Other revenue</i>		
Other revenue	-	44,746
Revenue from continuing operations	<u>21,326,887</u>	<u>12,267,050</u>

Excite Technology Services Limited
Notes to the financial statements
31 March 2026

Note 5. Revenue (continued)

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2026	2025
	\$	\$
<i>Major product lines</i>		
Maintenance and Support	2,562,434	2,038,052
Hardware and software resale	14,469,811	6,660,179
Services	3,068,871	3,076,573
Training	1,225,771	447,500
	<u>21,326,887</u>	<u>12,222,304</u>
<i>Geographical regions</i>		
Australasia	21,326,887	12,222,304
	<u>21,326,887</u>	<u>12,222,304</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	14,469,811	6,660,179
Services transferred over time	6,857,076	5,562,125
	<u>21,326,887</u>	<u>12,222,304</u>
<i>Other Income</i>		
	-	44,746
	<u>21,326,887</u>	<u>12,267,050</u>

Excite Technology Services Limited
Notes to the financial statements
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Note 6. Expenses

	Consolidated	
	2026	2025
	\$	\$
Loss before income tax from continuing operations includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	285	1,144
Plant and equipment	126,630	78,883
Office right-of-use assets	889,034	352,334
Total depreciation	1,015,949	432,361
Employee benefit expense		
Wages and salaries	4,130,286	6,893,764
Non-executive director fees	30,000	35,315
Recruitment and sourcing	68,521	164,312
<i>Other employee related expenses</i>	301,821	765,652
Payroll taxes	280,899	249,134
Defined contribution superannuation expense	600,634	597,397
Equity settled share-based payments	94,784	494,054
Total employee benefit expense	5,506,945	9,199,628
Finance costs		
Interest and finance charges paid/payable on borrowings	641,170	341,432
Interest and finance charges paid/payable on lease liabilities	216,472	35,731
Other finance charges	1,036	1,036
Finance costs expensed	858,678	378,199

Note 7. Assets – trade and other receivables

	Consolidated	
	2026	2025
	\$	\$
Current		
Trade receivables	1,424,926	1,574,120
Other receivables	91,177	127,132
	1,516,103	1,701,252
Non-Current		
Other receivables	125,883	-
	125,883	-

Note 8. Non-current assets - property, plant and equipment

	Consolidated	
	2026	2025
	\$	\$
Leasehold improvements - at cost	71,516	71,516
Less: Accumulated depreciation	(71,516)	(71,516)
	-	-
Plant and equipment - at cost	811,522	552,270
Less: Accumulated depreciation	(601,005)	(477,350)
	210,517	74,920
	<u>210,517</u>	<u>74,920</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements	Plant and equipment	Total
	\$	\$	\$
Balance at 31 March 2024	3,474	104,759	108,233
Additions	-	46,714	46,714
Depreciation expense	(3,474)	(76,553)	(80,027)
Balance at 31 March 2025	-	74,920	74,920
Additions	-	262,227	262,227
Depreciation expense	-	(126,630)	(126,630)
Balance at 31 March 2026	-	210,517	210,517

Note 9. Non-current assets - right-of-use assets

	Consolidated	
	2026	2025
	\$	\$
Office - right-of-use	6,509,575	1,186,426
Less: Accumulated depreciation	(1,227,774)	(488,607)
	<u>5,281,801</u>	<u>697,819</u>

The Group leases office space under an agreement of between 2 to 3 years with options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group leases office equipment under agreements of less than 1 year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 10. Non-current assets - intangibles

	Consolidated	
	2026	2025
	\$	\$
Goodwill - at cost	13,854,177	13,854,177
Less: Impairment	(8,192,849)	(7,117,079)
	<u>5,661,328</u>	<u>6,737,098</u>
Patents and trademarks - at cost	<u>2,142</u>	<u>2,142</u>
Software - at cost	18,900	18,900
Less: Accumulated amortisation	(18,900)	(18,418)
	<u>-</u>	<u>482</u>
	<u><u>5,663,470</u></u>	<u><u>6,739,722</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill	Patents and Trademarks	Software	Total
	\$	\$	\$	\$
Balance at 31 March 2026	<u>5,661,328</u>	<u>2,142</u>	<u>-</u>	<u>5,663,470</u>

Impairment testing

The recoverable amount of the Group's goodwill, specially the acquisitions of CBIT Pty Ltd has been determined by a value-in-use calculation using a discounted cash flow model, based on a 2-year projection period approved by management, and extrapolated for a further 3 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating unit is most sensitive.

The following key assumptions were used in the discounted cash flow model for the acquisition:

- 16% pre-tax discount rate;
- Revenue growth rates in year one and two ranging between 5% to 30% for various revenue streams and declining thereafter to 3% per annum projected revenue growth rate in year three and later years; and
- Growth rates in year one in operating costs and overheads in line with revenue growth and declining thereafter to 3% per annum increase in operating costs and overheads in year three and later years.

The discount are of 16% pre-tax reflects management's estimate of the time value of money and the Group's weighted average costs of capital, the risk-free rate, and the volatility of the share price relative to market movements.

Management believes the projected 3% revenue growth rate is prudent and justified, based on CBIT revenue growth during the year, the investment in capabilities, and growth in the market.

Management have maintained their estimation of the increase in operating costs and overheads, balancing higher inflation rates offset by efforts by the Group to contain costs.

There were no other key assumptions for CBIT division.

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Note 11. Current liabilities - trade and other payables

	Consolidated	
	2026	2025
	\$	\$
Trade payables	2,176,212	2,770,323
Other payables	2,613,338	2,608,776
	<u>4,789,550</u>	<u>5,379,099</u>

Note 12. Financial Instruments - Convertible Notes

Convertible Note Liability – principal	4,100,000	1,562,524
Convertible Note Liability – Interest	1,717,155	668,113
	<u>5,817,155</u>	<u>2,230,637</u>

Note 13. Current liabilities - contract liabilities

	Consolidated	
	2026	2025
	\$	\$
Contract liabilities	<u>754,643</u>	<u>603,794</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	603,794	264,417
Payments received in advance	1,168,037	708,992
Transfer to revenue - performance obligations satisfied	(1,017,188)	(369,615)
Closing balance	<u>754,643</u>	<u>603,794</u>

Note 14. Current liabilities - lease liabilities

	Consolidated	
	2026	2025
	\$	\$
Lease liability	<u>579,009</u>	<u>495,475</u>

Note 15. Non-current liabilities - lease liabilities

	Consolidated	
	2026	2025
	\$	\$
Lease liability	<u>4,384,536</u>	<u>244,546</u>

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Note 16. Equity – Issued capital

	2026 Shares	Consolidated 2025 Shares	2026 \$	2025 \$
Ordinary shares - fully paid	<u>2,082,120,379</u>	<u>1,820,341,624</u>	<u>117,156,329</u>	<u>114,236,512</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	31 March 2025	<u>1,820,341,624</u>		<u>114,236,512</u>
Issue of shares (i)	03 April 2025	2,300,313	\$0.010	23,003
Issue of shares (ii)	09 May 2025	250,000,000	\$0.012	2,802,030
Issue of shares (iii)	27 October 2025	8,470,442	\$0.010	84,704
Issue of shares (iv)	26 January 2026	1,008,000	\$0.010	10,080
Balance	31 March 2026	<u>2,082,120,379</u>		<u>117,156,329</u>

During current period ended 31 March 2026, the Group completed the following transactions in respect of the issue of ordinary shares:

- (i) The Group issued 2,300,313 ordinary shares in the Company totalling \$23,003 as a result of conversion of options
- (ii) The Group issued 250,000,000 ordinary shares in the Company totalling \$2,802,030 as a result of placement
- (iii) The Group issued 8,470,442 ordinary shares in the Company totalling \$84,704 under Director's share plan
- (iv) The Group issued 1,008,000 ordinary shares in the Company totalling \$10,080 being for Director's fee

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 16. Equity - issued capital (continued)

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 31 March 2025 Annual Report.

Note 17. Earnings per share

	Consolidated	
	2026	2025
	\$	\$
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of Excite Technology Services Limited	<u>(5,385,619)</u>	<u>(6,429,411)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>2,049,649,452</u>	<u>1,588,840,221</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>2,049,649,452</u>	<u>1,588,840,221</u>
	Cents	Cents
Basic earnings per share	(0.26)	(0.40)
Diluted earnings per share	(0.26)	(0.40)

Note 18. Business combinations

Acquisition of CBIT Pty Ltd

On 1st October 2024, the Company completed the acquisition of 100% of the shares in CBIT Pty Ltd. CBIT is a provider of premier supplier of digital forensics hardware, software and training. They have a high mix of annuity revenues across large enterprise, government departments, and small business customers. Total consideration for the acquisition includes up-front and deferred cash and share based consideration. The total consideration of

- Cash payment of \$750,000.00
- Share based payment of \$1,500,000.00
- Deferred consideration of \$750,000.00 due 1 July 2025.

Details of the acquisition are as follows:

	Fair Value \$
Cash and cash equivalents	1,369,048
Trade receivables	343,370
Inventory	20,000
Trade payables	(1,558,248)
Other payables	(582,315)
Measurement period adjustment	<u>683,315</u>
Net asset acquired	275,170
Goodwill	2,724,830
Acquisition-date fair value of the total consideration	<u>3,000,000</u>

Post acquisition measurement

Per clause 6 under the share purchase agreement, a purchase price adjustment mechanism was provided to the vendors of CBIT with the completion. Under the completion statement agreed between the vendors of CBIT and EXT during the financial year, EXT determined a completion adjustment amount of \$387,018.

The following were accepted:

- Reduction in deferred consideration of \$154,807
- Further \$20,000 deferred consideration paid
- Deferred consideration of \$497,403 payable as at 31 March 2026

Note 19. Events after the reporting period

No other matter or circumstance has arisen since 31 March 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.